

# Session 4: Financial Inclusion

## *Why Saving Culture Is Important*

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*DEPUTY GOVERNOR*

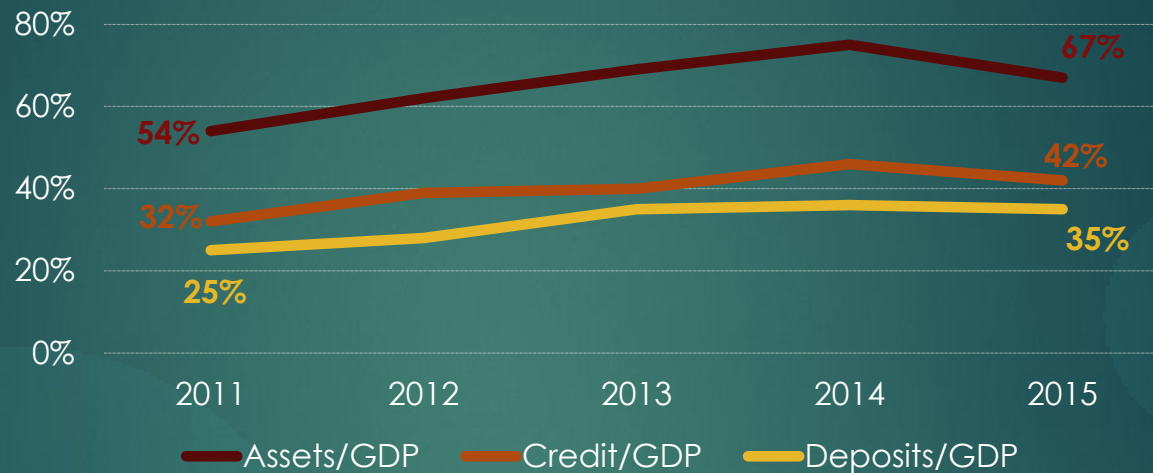
*CENTRAL BANK OF ARMENIA*

30-31 MARCH, 2016

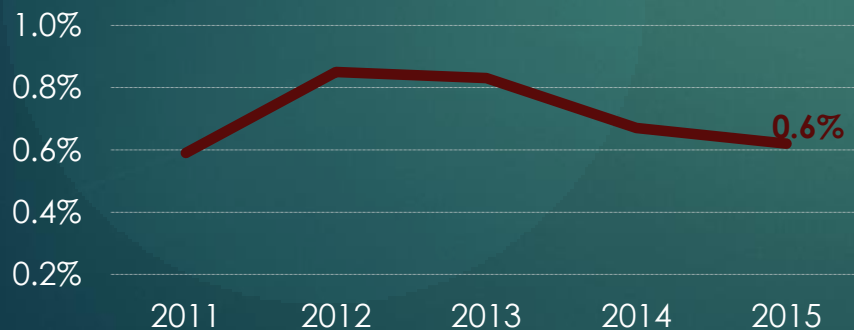
INCHEON, REPUBLIC OF KOREA

# Intermediation levels

## Bank intermediation



## Insurance premiums/GDP

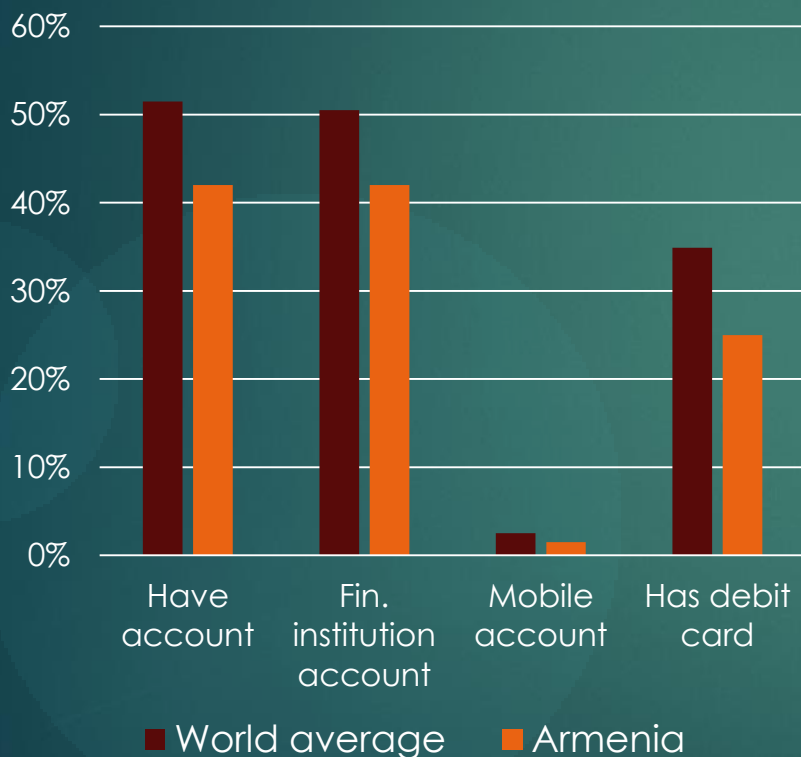


## Market capitalization/GDP

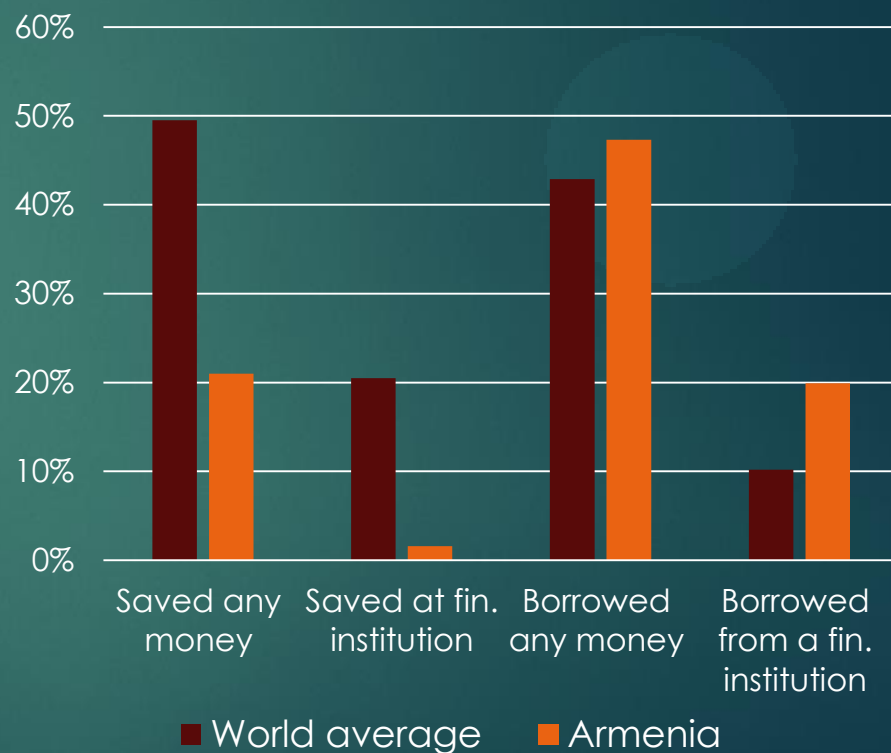


# Financial inclusion indicators 2014, 15+ population

## Access



## Usage

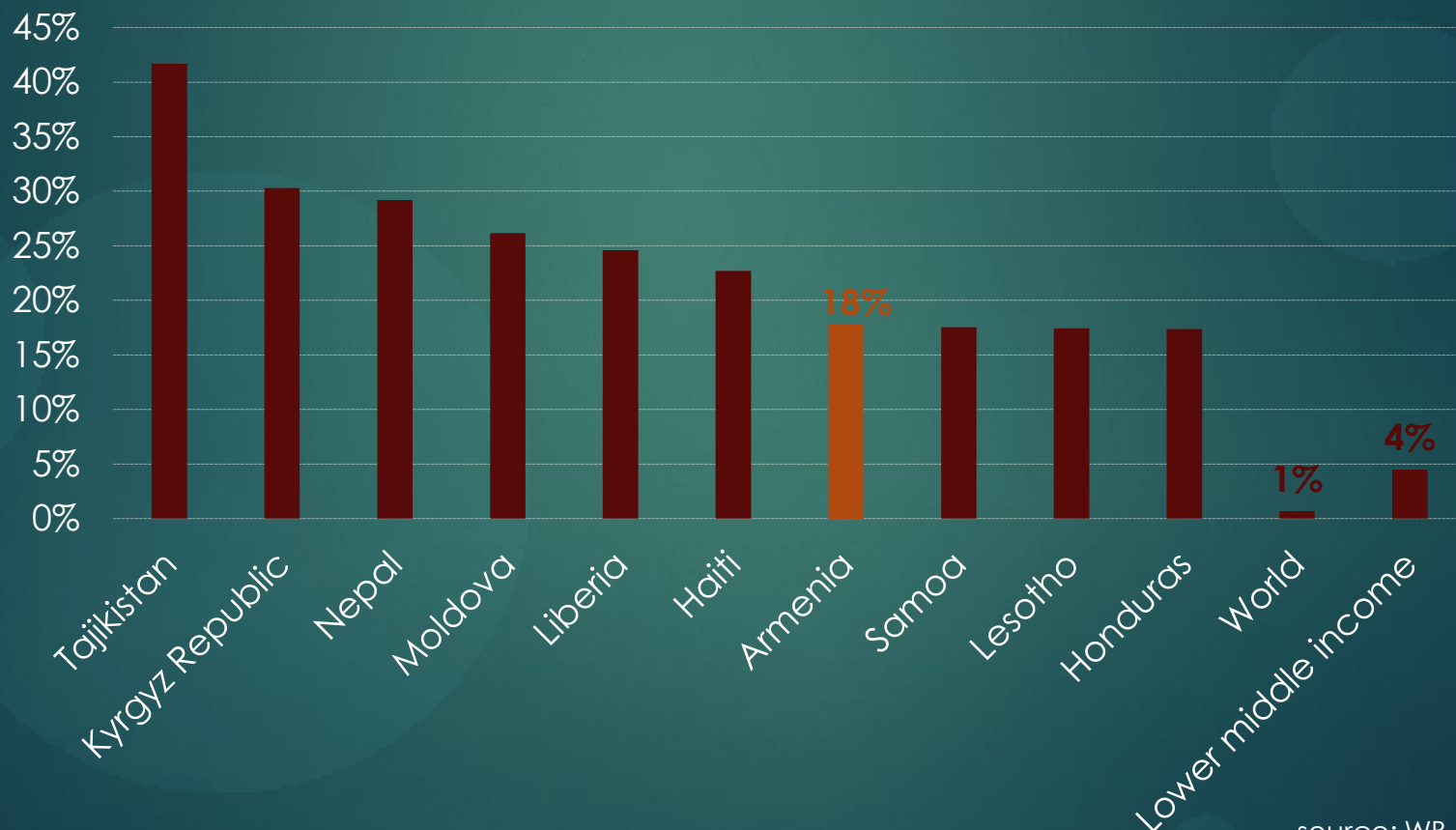


# Financial Inclusion Challenges in Armenia

- ▶ **Better serviced remittances as a possibility to deepen financial inclusion**
  - ▶ Lack of proper oversight over foreign remittances system
  - ▶ Risk exposure
  - ▶ Service quality and inefficiency
- ▶ **Pension accounts as a possibility to raise long-term savings**
  - ▶ Short-term savings
  - ▶ Absence of the savings culture
  - ▶ Absence of life insurance and undeveloped securities market

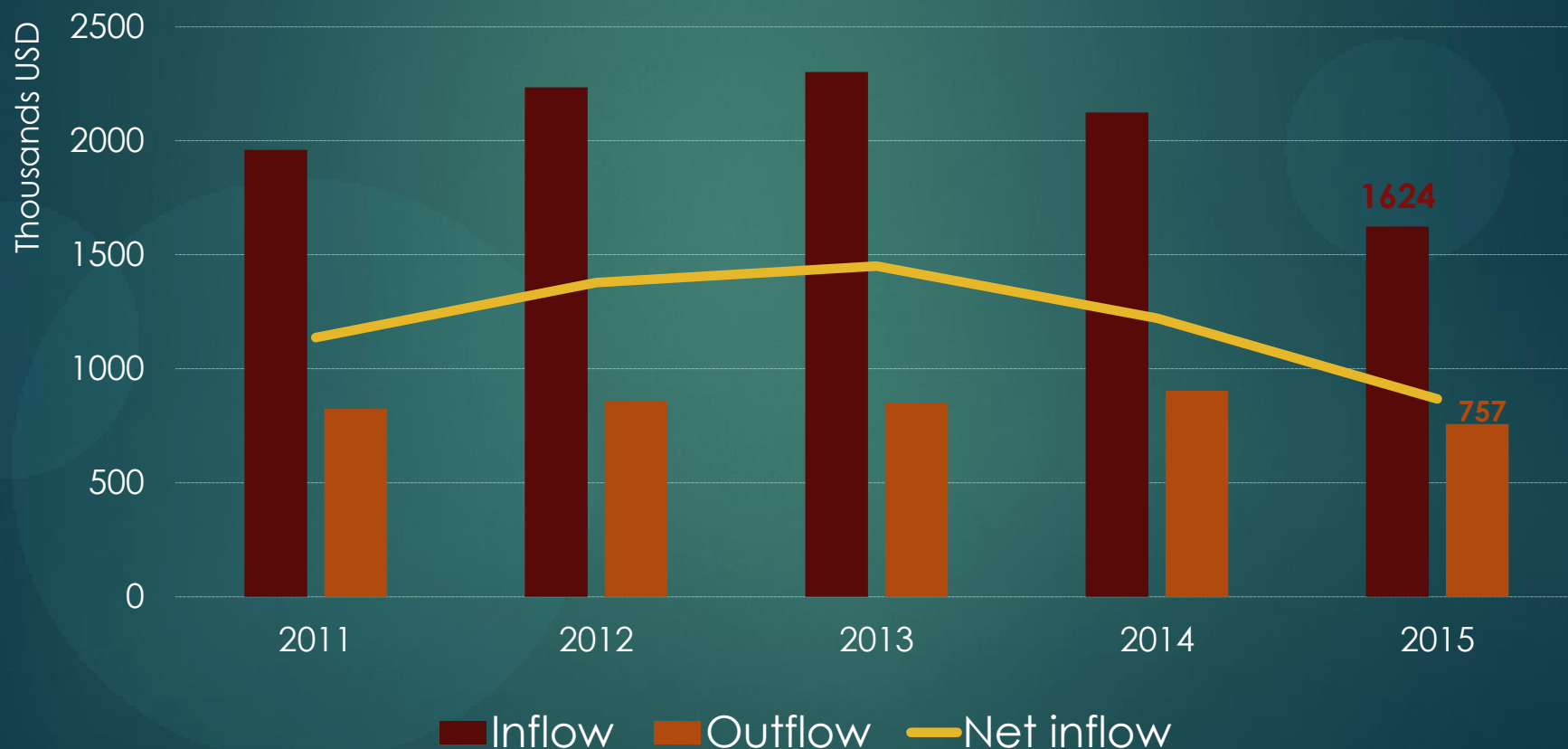
# Received personal remittances, 2014 (% of GDP)

*Armenia is one of the largest remittance receiving economies*



# Remittance transfer system

*money transfers of individuals via banking systems*



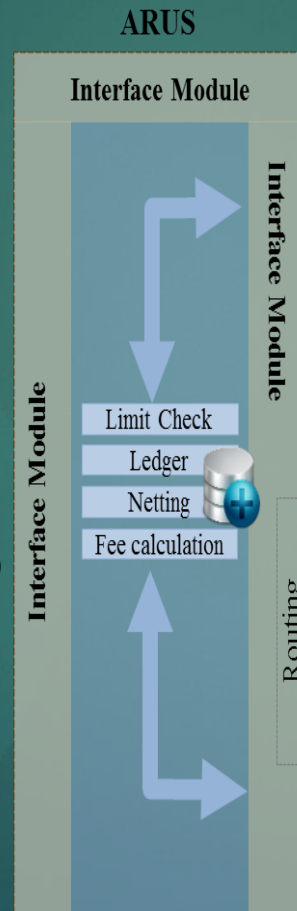
# Remittances transfer system ARUS

*Commission reduction up to 3%*

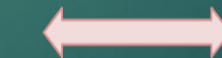
Armenian Participants



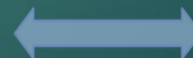
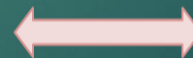
ARUS Transaction  
(Unified message format)



Indirect Participant  
(MTOs)



Direct Participants  
(Foreign Banks)



Foreign MTOs



Foreign Banks



Foreign Banks



# Laying the Stage: Why pension reform

- ▶ Household saving culture will drive the economy towards its steady state
- ▶ Will not happen voluntarily and is not going to happen automatically with income growth
- ▶ Therefore, we need sophisticated institutions to capture those saving to make them sustainable
- ▶ FDI led growth is positive, but not sufficient and not a source of sustainable long term funding; may delay building saving culture

预览已结束，完整报告链接和二维码如下：

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_3402](https://www.yunbaogao.cn/report/index/report?reportId=5_3402)

